**MAKERERE UNIVERSITY BUSINESS SCHOOL**

**FACULTY OF ENERGY, ENERGY AND MANAGEMENT SCIENCE,(FEEMS) DEPATMENT OF APPLIED ECONOMICS SEMESTER I, ACADEMIC YEAR 2023/ 2024**

Program: **Bachelor of Transport and Logistics Management**

Year of study:  **II**

Course: **Transport Economics and Finance**

Course Code:  **FIN2107**

Contact hours per week: **4**

**Lecturers:** Ronett Atukunda, PhD [ratukunda@mubs.ac.ug](mailto:ratukunda@mubs.ac.ug)

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**COURSE OUT LINE - ECONOMICS**

**Course Description**

The transport sector is one that involves a huge investment and a lot of money has to be put into the sector to get and to keep moving. since a lot of money has to be invested, it is imperative that investment decisions are wisely made and the money that has been sunk in is well managed. The course introduces to economic investment and finance decisions in the transport sector and covers the various transport policies

**Course Objective**

To demonstrate an understanding of the fundamental concepts underlying the economics of transportation such as demand for and supply for transport, direct and external costs of transport, economic structure of transport and policy, pricing in transport and investment in transport

**Learning Outcome**

By the end of this course, the participating students should:

* Evaluate financial decisions in the transport sector
* Forecast cash inflows and how they will be managed
* Discuss the core concepts of investment and finance decisions in the transport industry
* Evaluate the impact of effective and efficient financial management in the transport sector

**Attendance**

Students are supposed to attend all the lectures conducted during the semester.

**Assessment**

Test I 15%

Test II 15%

Final Examination 70%

Final Mark 100%

**Method of Instruction**

* Straight Lectures and online lectures
* Group discussions 1
* In- class Presentations - Assignments

**Course Outline**

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| **No** | **Topic** | **Sub-Topics** | **Wee**  **k (s)** | **Resource Person** |
| **1** | **Introduction to Transport Economics** | * Introduction and definitions. * principles * rationale of transport in economic development * Transport modes | **1** | Dr. Atukunda |
| **2** | Transport markets and policy | * Contestable and Non contestable markets * Transport Policy in Uganda- implications | **2** | Dr. Atukunda |
| **3** | **Transport, the economy and local economic development** | * Demand for transport * Supply for transport * Pricing of transport services | **3&4** | Ms. Kirabo |
| **4** | **Cost management in transport** | * Cost and basic criteria for their division control of transport companies * Macro-economic aspects of cost transportation costs- the cost of transport enterprise | **5&6** | Ms. Kirabo |

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| **Coursework 1** |

**Reading List**

Blauwens, G., De Baere, P., and Van de Voorde, E. Transport Economics. Fifth Edition, Uitgeverij De Boeck, Antwerp, 2012.

Boyer, K.D., Principles of Transportation Economics, Reading, Mass: Addison Wesley Longman, 1998.

Button, K.J., Transport Economics, Edward Elgar, 1993.

Winston, C., "Conceptual developments in the economics of transportation: An interpretive survey", Journal of Economic Literature XVIII(1), 1985, 57-94.

Bell, G, Blackledge, DA & Bowen PJ. 1983; *The Economics and Planning of Transport*, London Heinman

Bigham, TG & Roberts, MJ, 1952. Transportation-Principles & Problems. New York, McGraw Hill

Bonsor, NC 1984, Transport Economics: Theory & Canadian Policy. Toronto, Butterworths

Quinet, E. and R. Vickerman (2004), Principles of Transport Economics, Cheltenham and Northampton, Mass:

Edward Elgar.

Small, K.A. and E.T. Verhoef (2007), The Economics of Urban Transportation, Second Edition, London and New York: Routledge. .

Oum, T.H., W.G. Waters II and J-S. Yong (1992), "Concepts of price elasticities of transport demand and recent empirical estimates: an interpretative survey", Journal of Transport Economics and Policy 26(2), 139-154 and 164169.

Graham, D.J. and S. Glaister (2002), “The demand for automobile fuel: a survey of elasticities”, Journal of Transport Economics and Policy 36, 1-25.

Brons, M., E. Pels, P. Nijkamp and P. Rietveld (2002), "Price elasticities of demand for passenger air travel: A meta- analysis", Journal of Air Transport Management 8(3), 165-175.

Victoria Transport Policy Institute, “Transportation elasticities: How prices and other factors affect travel behavior, TDM Encyclopedia (http://www.vtpi.org/tdm/tdm11.htm)

Wardman, Mark (2001), “A review of British evidence on time and service quality valuations”, Transportation Research 37E, 107-128.

Redmond, L.S. and P.L. Mokhtarian (2001), "The positive utility of the commute: modeling ideal commute time and relative desired commute", Transportation 28(2), 179-205.

Richardson, A.J. (2003), “Some evidence of travelers with zero value of time”, Transportation Research Record 1854, 107-113.

Mokhtarian, P.L. and I. Salomon (2001), “How derived is the demand for travel? Some conceptual and measurement considerations”, Transportation Research A 35A, 695-719.

Small, K.A. and J.A. Gomez-Ibanez (1999), "Urban transportation", in P. Cheshire and E.S. Mills (eds.), Handbook of Regional and Urban Economics 3, Amsterdam: North-Holland, Sect.

Braeutigam, R.R. (1999), “Learning about transport costs”, Chapter 3 in Gomez-Ibanez, J.A., W.B. Tye and C. Winston, eds., (1999), Essays in Transportation Economics and Policy: A Handbook in Honor of John R. Meyer, Brookings Institution, 57-98.

Arnott, R. and K.A. Small, K.A. and J.A. Gomez-Ibanez (1999), "Urban transportation", in P. Cheshire and E.S. Mills (eds.), Handbook of Regional and Urban Economics 3, Amsterdam: North-Holland, Sect.

De Palma, A. and R. Lindsey (2000), "Transportation: Supply and congestion", International Encyclopedia of the Social & Behavioral Sciences, N.J. Smelser and P.B. Baltes (eds.), Oxford: Pergamon, Vol. 23, 2001, 15882-8.

Winston, C. (1991), "Efficient transportation infrastructure policy", Journal of Economic Perspectives 5(1), Winter, 113- 127.

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Team leader/Internal Examiner Head of Department